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The Country Cooperation Framework (CCF) for UNDP in Angola was developed in support of Angola's emergence from conflict, initially for the three-year period 1997-99, and later extended for one more year (2000). It was strongly assumed that the country was finally entering a transition to peaceful development, while confronted with a critical situation of addressing the peace process, humanitarian issues and the problems of economic and social recovery. As a result, UNDP agreed with the government to address three strongly inter-dependent themes: (a) assistance in post-conflict situation; (b) poverty eradication; and (c) governance.

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UNDP Angola Country Review

Review of the UNDP Country Cooperation Framework (CCF) for Angola (1997-2000)

Based on work undertaken in Angola 16 October to 3 November 2000. Submitted to the UNDP Resident Representative in Angola 23 November 2000.

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1. Introduction

A review of the UNDP Country Cooperation Framework (CCF) for Angola (1997-2000) was undertaken from 16 October to 3 November 2000 by an independent team consisting of Arve Ofstad (Team Leader), Allan Cain, Carlos Eloy, Robert Kramer and Paul Matovu. The team

received full cooperation from the UNDP Resident Representative and her staff, the Minister of Planning and all relevant government ministries and institutions, and a number of development partners among UN agencies, donors, non-government organisations and the civil society. The Country Review Team (CRT) also reviewed a number of project reports and evaluations made available to the team.

This Country Review summarises the results obtained, problems encountered and lessons learned from the UNDP programme and activities during the extended CCF period 1997-2000. On the basis of these experiences and an assessment of the present context in Angola, recommendations are made for the future orientation of the UNDP programme and activities. These recommendations will imply a major reorientation of UNDP in Angola and will depend on a high quality Country Office and strong support from UNDP Headquarters and development partners in Angola.

2. The Angola context 1997-2000: Protracted crisis and uneasy peace

Angola has suffered from a near-continuous war since before independence in 1975. The war has caused tremendous human suffering, large-scale displacements of the population, heavy damages to property and infrastructure, and huge economic losses in addition to the direct costs of the war. The number of internally displaced is estimated by UNOCHA to be around 3.8 million out of the total population of 12.7 million. Guerrilla warfare continues to create insecurity in the majority of the interior provinces, and internal transport is strongly hampered by ambushes and attacks. Practically all humanitarian supplies are transported by costly air operations, and humanitarian workers have been attacked.

Poverty is widespread and has become endemic, with some 78 percent of the rural population and 40 percent of urban dwellers living below the poverty line. The Human Development Index of 0.405 in 1998 places Angola as 160th out of 174 countries. The GDP, which is very dependent on the international oil prices, fell to around USD 220 per capita in 1999 according to World Bank estimates. Poor social indicators reflect the very high level of overall vulnerability of the population.

The economy is strongly dominated by the oil sector, which provides almost 90 percent of export revenues and of government revenues. While the value of crude oil exports in 1999 is estimated at around USD 4.6 billion (World Bank) and expected to increase in coming years with higher prices and increased production, these incomes have to cover high costs of production, service short-term debts, and pay for the high cost of the war. Parts of the diamond production in Angola are controlled by the UNITA rebel forces, and subject to sanctions by the UN Security Council.

Since the late 1980's expansion of the oil sector, Angola has steadily liberalised its formerly centrally managed economy and increased its engagement in the world economy, beginning a series of extended negotiations with the international financial institutions. The process is slow, however, and there are many complaints about lack of transparency and accountability, especially regarding the utilisation of Angola's oil incomes.

A first attempt at bringing its 15 year civil war to an end by adopting a multi-party constitution and elections in 1992, was set back as the UNITA opposition returned to war when they failed to win at the polls. In late 1994, after months of protracted negotiations with the UN as intermediary and with increasing government successes on the battlefield, the two sides came to an agreement in Lusaka, Zambia. A cease-fire agreement was signed and a

political deal made which gave UNITA a share of power in a future national reconciliation government (GURN). A detailed process was spelled out in the Lusaka Accords by which UNITA was to demilitarise and turn the vast territory which it controlled over to state administration. UNITA further was obliged to accept the outcome of the 1992 elections and send their elected deputies to participate in the Parliament as the leading opposition party.

At the Round Table Conference in Brussels in 1995, co-chaired by UNDP, the Angolan government launched a Community Rehabilitation Programme (CRP) together with their civil society and donor partners. The Brussels conference was primarily an attempt by the international donor community to provide the means to smooth the way for the implementation of the Lusaka Protocol. Almost one billion dollars was promised in rehabilitation and development assistance to rebuild war-damaged infrastructure and stimulate the economy. The CRP programme incorporated some of the essential elements for effective peace building, such as institutional reform, rural-urban economic equilibration, social and infrastructural rehabilitation and community participation.

The implementation of the Lusaka accords was nevertheless hampered from the beginning by mistrust between the two parties. The demobilisation and disarmament of UNITA progressed very slowly. Progress on the political side was more successful and the GURN – Government of National Unity and Reconciliation was created in early 1997 with participation of a section of UNITA. The crucial failure, however, was reluctance of UNITA to turn over occupied territory to state administration and the ineffectiveness of government to install civil authority and basic social services in the areas of extension of government control. By early June 1998 dialogue had broken down and the guerrilla actions and low level fighting across the country had started escalating. In December a bloody conventional war in the central highlands had resumed. By mid 1999 violence has spread to other provinces in the north and east of the country.

The UN and the international community who had been perceived as closely associated with the post-Lusaka peace process, lost credibility in the eyes of many Angolans when the process collapsed, and the government refused to renew the mandate for UN's MONUA military observer mission. The UN's difficulty in adapting its programmes to the new security situation and to respond quickly to the ensuing humanitarian crisis contributed to the loss of confidence.

From early 2000 there have been improvements in the security situation, and Angola's oil economy is re-emerging to record high incomes in 2000. The IMF and World Bank re-engaged in discussions with the government with the prospect of eventually rescheduling Angola's substantial foreign debt. The government has accepted to improve their financial accountability and institute macroeconomic and public administration reforms. As part of the process Angola has undertaken to enter into a broadly based consultative process of developing a national "Poverty Reduction Strategy". This strategy may provide the framework within which international partners plan their cooperation with Angola in what is hoped will be the transition out of war into reconstruction and rehabilitation.

3. The CCF process and overall objectives

Because of the 1992-94 war, regular UNDP programmes were suspended during 1992-96, while UNDP only supported *ad hoc* assistance. However, following the Lusaka peace agreement in 1994, UNDP was requested to actively support the consolidation of the peace accords within the overall framework of UN's involvement and in close collaboration with

the government. UNDP thus supported the participatory process of preparing provincial and national plans for rehabilitation, that were presented to the donor community at the Brussels Round Table in 1995.

The Country Cooperation Framework (CCF) for UNDP in Angola was developed in support of Angola's emergence from conflict, initially for the three-year period 1997-99, and later extended for one more year (2000). It was strongly assumed that the country was finally entering a transition to peaceful development, while confronted with a critical situation of addressing the peace process, humanitarian issues and the problems of economic and social recovery. As a result, UNDP agreed with the government to address three strongly inter-dependent themes: (a) assistance in post-conflict situation; (b) poverty eradication; and (c) governance. Under the first theme UNDP would support in particular the planned demobilisation and reintegration of ex-combatants, and the mine action programmes. The poverty eradication theme would cover UNDP support to the community rehabilitation programme launched at the Brussels Round Table, and the governance theme included UNDP support to improved economic management and administrative reforms.

These themes were well conceived and very relevant for the actual situation in Angola during that period. The major donors were equally in agreement, and provided a total of USD 33.6 million to the UNDP Trust Fund for Angola, and USD 1.2 million through a cost-sharing arrangement. UNDP itself contributed a total of USD 31.1 million¹, to give a total funding of USD 65.9 million for the full CCF period. These funds have been allocated among the three main themes, with USD 41.9 million (64%) for the post-conflict programmes; USD 19.4 million (29%) for poverty alleviation, and USD 4.5 million (7%) for the governance programme.

UNDP thus had a very good starting point for the implementation of its CCF. However, as this Country Review will show, most programmes and projects suffered serious problems during implementation, some had to be terminated, and there are very few sustainable results at the end of the CCF. The big paradox is therefore: How could these seemingly good programmes produce so meagre results? Could this have been avoided? And what lessons can UNDP and the government draw from these experiences?

The CCF (1997-1999) document summarised the lessons learned from previous experience as follows:

- (a) there is a need to step up training of nationals to assume increased roles in the management of programmes
- (b) the high rate of turnover of UNDP Country Office senior management had a negative effect on the image of the office in its relations with the government and donors
- (c) the Country Office lacked a coherent and flexible strategy in the face of emergencies
- (d) there is the need to build the capacity within the Country Office to assume an increasing role in the implementation and coordination of reintegration and rehabilitation programmes
- (e) approval of project documents were unduly delayed due to the absence of translation facility within the office.

¹ UNDP provided USD 24.1 million from its regular core fund (TRAC 111 and 112), USD 5.2 million from its allocation to countries in special circumstances (TRAC 113), and USD 1.8 million from other programming sources (SPR, SPPD and STS). See Annex 1 for details.

Unfortunately, only the last point (e) has resulted in a remedial measure, while all other “lessons learned” did not lead to any substantial change – and indeed were thus not “learned” by UNDP in Angola. Similarly, practically none of the objectives and success indicators of the CCF were achieved during this period. The minimum requirement for the next CCF is that it establish more realistic immediate objectives for UNDP interventions and measurable performance indicators that permit evaluation and periodic assessment.

More important, however, is the fact that both the CCF itself and many specific programmes and projects were formulated with little real government participation. It seems equally evident that UNDP did not thoroughly scrutinise the proposed programmes and projects, before accepting funding. The implications of this are discussed in later sections of this Country Review.

4. Theme 1: Direct post-conflict activities

Given the environment surrounding the 1995 Brussels Round Table, both in terms of heightened expectations of peace and broad donor support, UNDP’s projects that were directly targeted as immediate post-conflict interventions were responsive to the urgent peace-building objective. These activities were generally well conceived, and reflected the critical priorities of demobilisation, mine action, enhanced government capacity to coordinate and implement humanitarian activities, and security for the UN and NGOs working in the field. A total of USD 41.9 million, or 64 per cent of the total resources, was allocated under this theme.

Since the need for mine action, demobilisation and capacity-building will increase as the political and security environment improves, it is particularly important that lessons learned from these projects be incorporated into newly designed activities to avoid repeating past implementation problems.

Support to the reintegration of demobilised soldiers

UNDP funded two projects with the objective to support the demobilisation of soldiers and combatants from the UNITA forces and from the regular government army (FAA). One project (SeCoR) supported the national institution IRSEM in charge of reintegration, and the other project provided vocational training and micro-enterprise promotion for demobilised soldiers.

Experience with demobilisation programmes in immediate post-conflict situations indicates that their success depends on a secure environment, strong commitment on both sides of the conflict, and meticulous planning and coordination of activities. Unfortunately, none of these conditions prevailed during the implementation of the programme in Angola. Instead, separate programmes for reintegration were designed, management decisions were made on an ad-hoc basis, and there was no clear commitment on the part of either side (many UNITA “demobilised” returned to their strongholds and the FAA did not commit its troops to the process). While an estimated 50,000 troops were demobilised, the number effectively “reintegrated” into communities has not yet been established.

The SeCoR project was designed to: (1) provide technical assistance (TA) to IRSEM in the areas of administration, financial management, project development, monitoring and evaluation, and information management; (2) establish a counselling and referral service for demobilised soldiers; and (3) fund Quick Impact Projects (QIPs) to support reintegration. The

Vocational Training project (implemented by ILO) was designed to enhance the capacity of the demobilised to earn a livelihood, through vocational training, micro-business promotion and the provision of tool kits.

Although both UNDP projects were designed to assist in the reintegration of demobilised combatants into civilian life, the SeCoR project was designed to create an institutional capacity within the government. This immediate objective was partly met with the provision of technical assistance to IRSEM and the opening, equipping, training and staffing of 18 provincial offices. Yet the project document did not clearly identify timeframes, performance indicators, benchmarks or methodologies to guide the implementation of the institution building programme. MINARS staff believes that the programme relied too heavily on uninformed expatriate TA. Different working styles of IRSEM (military) and SeCoR (civilian) resulted in miscommunication, different reporting channels and inhibited a flexible coordinated response to a variety of needs. Inadequate government financial support to IRSEM led to high turnover of staff and a significant number of unfilled positions. The government provided only a small fraction of the cash payments promised to the demobilised soldiers.

Capacity building was a higher priority than the provision of benefit packages. The QIPs programme managed by the SeCoR project and ILO's training and micro-business had different implementing agencies and no formal coordination even though they both worked through IRSEM and had the same target population. Both targeted the individual ex-combatant rather than the family or the community into which he was to be integrated. By definition, QIPs must be rapidly implemented and responsive to the needs of the target group. However, the programme was centrally managed and slow, partly due to the need to apply traditional UNDP development procedures that do not adequately meet the needs of a speedy transition period. The demobilised preferred allocation of subsidies, kits and food rather than training or micro-credit. There was very limited experience in managing micro-credit programmes in Angola, and demobilised soldiers are the least likely to use credit productively, considering the benefit as a grant or entitlement for service rendered. In addition, female soldiers and heads of households were not considered a priority for benefits.

By the beginning of 1999 when the political and security environment prevented continuation of the programme, the Ministry of Reintegration and Social Assistance (MINARS), with the consent of UNDP and the donor community, decided to terminate the programme. This was in response to the full-fledged war and the full cessation of the demobilisation programme.

The Ministry proposed to use the available funds for a new project "Support for Socio-Economic Integration of Vulnerable Groups in Angola." This decision, however, was untenable for a number of reasons. First, it never had the support of the Ministry of Planning that wanted the funds to be used as part its Community Rehabilitation Programme (CRP). In addition, the purpose of the project bore no relation to the institution building and demobilisation objectives of the original projects and excluded IRSEM from any implementation role. The decision by MINARS was ultimately not sustained.

Yet any peace building programme in the future will require a major effort to reintegrate ex-combatants into communities. There is currently a regular inflow of ex-combatants into government areas, in addition to previously demobilised that have not received any assistance. Despite repeated requests for government funding, IRSEM has been refused support to assist these ex-combatants. IRSEM has the potential to contribute to peace

building by supporting the integration of ex-combatants and their families. The design of a new programme will rely heavily on lessons learned from the previous activities. IRSEM maintains both a headquarters and field staff and maintains a database of demobilised from the Bicesse and Lusaka Accords. They currently lack any significant resources to implement demobilisation activities and have received minimal financial support from the government.

Mine action

The government established a national institute for mine action (INAROE) in 1995 with three mandates: national coordination of mine action, training, and field demining operations. While the bulk of UN funds were managed by DPKO, UNDP funding sought to address all these activities. At the same time, NGOs, supported by bilateral donors and the EU, trained Angolan deminers, performed surveys and engaged in humanitarian demining. UNICEF and NGOs partners engaged in mine awareness activities. With the resumption of the war in 1998, and the consequent re-mining by both sides, donor support for mine action activities was significantly reduced. In a January 26, 1999 meeting, MINARS and the donor community agreed to reduce operations, but continue capacity building of INAROE staff and mine awareness activities.

While UNDP's contribution was generally considered essential for the initial support to the establishment of INAROE, the programme's success was limited by a number of factors. *First*, despite INAROE's multiple mandate of mine action coordination and de-mining, its emphasis on field operations led to the neglect of the national coordination role. No national mine action plan defining national priorities was produced, and donors and mine action NGOs lost confidence in INAROE and worked separately with local authorities. *Second*, the external consultants provided lacked both the technical and language skills to effectively advise their counterparts. The formal training programme for national counterparts was compromised by the absence of qualified and experienced TA. *Third*, UNDP did not develop and present to donors a resource mobilisation plan to fund the national Mine Action Plan. The Voluntary Trust Fund for Assistance in Mine Clearance was slow and unresponsive. *Finally*, the involvement of five UN Departments, Agencies and Funds in mine action programmes led to confusion in programme implementation and the lack of clarity in programme objectives.

A basis has, however, been established for future mine action programmes. INAROE has established a good national database, and the expansion of this base is continuing. The three largest demining NGOs have absorbed a large number of nationals trained in demining. The future role for INAROE should be determined by the government, and should probably be confined to setting and monitoring national quality standards, coordinating mine action activities and determining a common set of priorities that can support humanitarian demining activities in the field.

Capacity building for MINARS

Given the magnitude of Angola's complex humanitarian problems, UNDP's decision to strengthen the government's capability to coordinate a humanitarian response seems reasonable. The purpose of the project was to build the institutional capacity of MINARS to transfer responsibility from UCAH (now OCHA) to the government to coordinate all humanitarian operations and strengthen the government's capacity to deal with current and future emergencies, including reintegration and mine action programmes. It is not realistic,

however, to expect that the UN or other donors would transfer the full responsibility and accountability for humanitarian operations to the government.

Unfortunately the Country Review Team was only able to locate the original project document and the team leader's final report. No measurable benchmarks or performance indicators were included, and no mid-term or final evaluation was performed. Yet the ultimate measure of success for a program that aims to build a sustainable government capacity to perform a complex task as the coordination of humanitarian operations requires a strong government commitment, in terms of financial support and sustained mandate. We found that the \$2.3 million UNDP grant defrayed all programme costs, including salary "subsidies" to counterpart staff, while the government's "in-kind" contribution was minimal. At the same time, MINARS' staff complained that expatriate TA provided by UNOPS was expensive and technically weak.

MINARS received capacity building support from various sources and donors during the time frame of the project. The impacts of these various programmes may overlap making the measurement of effectiveness difficult. For example, a parallel project funded by UNOCHA provided training of UTCAH provincial staff and making the national network operational (through provision of communications, transport, computer etc) to enable it to produce Monthly Humanitarian Reports.

The future mandate of MINARS in the coordination of humanitarian operations remains unclear, however, especially since the government in 1999 decided to transfer the leadership of the Inter-Ministerial Commission on Humanitarian Operations from MINARS to the Ministry of Planning.

The Country Review Team believes that UTCAH could have an important future role to play as the repository of information on humanitarian assistance from all sources. An enhanced knowledge base could place UTCAH in an important position to assist government, international and NGO partners in better monitoring and coordination in a transitional phase from humanitarian assistance to rehabilitation. UTCAH's institutional linkages with the government's focal point for humanitarian operations need to be clarified for it to maintain its crucial role.

MINARS shared with the CR Team a new proposal for second phase of the project that would continue training, strengthening of a national database, creation of a National Disaster Centre and local NGO capacity-building programme. In the absence of government support and its uncertain mandate, the Team, however does not believe the new phase warrants UNDP funding at this time.

Overall assessment

While these programmes were well conceived, relevant and important, they all suffered major problems for a number of reasons, and lasting results are very few. Principally, the success of immediate post-conflict activities depends on a secure environment, which was not (and has yet to be) fully achieved in Angola. The contribution by these programmes towards the achievement and consolidation of more peaceful conditions was limited, if any.

Yet other factors influenced the implementation of these activities, including on the part of the UNDP and its implementing partners:

- poor design of the actual projects, without adequate consultations with and ownership by the government institutions involved;
- weak programme management by UNDP and inadequate accountability from its institutional partners, especially UNOPS;
- inadequate transfer of technical and management expertise by external consultants to local staff; and
- inability by UNDP to quickly modify programmes to reflect the changing political and security environment. This includes the absence of an effective monitoring and evaluation system.

On the part of the government, the experiences reflect:

- the absence of political and financial support from the government to these programmes; and
- the military management style, and the over-stretching of the mandates of the government institutions in this sector, rather than focussing on essential core government functions.

The CR Team nevertheless underlines the importance of learning from these experiences, for UNDP as well as for the government. The tasks are extremely important for consolidation of the peace process, and still relevant in Angola. It is also important to maintain whatever capacity has been created, within INAROE, IRSEM as well as in UTCAH and other parts of MINARS. It is therefore recommended that UNDP and the government, together with other partners in this sector, rethink how to maintain the capacity, and develop a revised strategy for dealing with these important issues.

5. Theme 2: Community rehabilitation and national reconciliation (Poverty reduction)

Programmes under this theme were developed in support of the government's Community Rehabilitation Programme (CRP) presented at the Brussels Round Table. A total of USD 19.4 million (29% of the total) were allocated for these projects during the CCF period.

Community rehabilitation strategy

The Community Rehabilitation Programme (CRP) was formulated through an extended process of national community consultation. The CRP principles presented at Brussels provided a basic consensus between local communities, the government, opposition parties and the international donor community upon which to rebuild the nation after many years of war. The generous pledges by the donors underlined the commitment of the international community to the CRP principles but above all demonstrated the importance they gave to consolidating peace in Angola. Despite the breakdown in the peace process after December 1998, the approach to community rehabilitation has retained its relevance; increasingly so as more of the national territory becomes accessible and safe for resettlement. The underlying aim of engaging communities as stakeholders has an important stabilising role in building peace and national reconciliation. The government has indicated that the Community Rehabilitation Programme continues to provide the over-arching philosophy within which planning in the current transition from war to peace in rural areas is to be framed.

The CRP was conceived as a coordination umbrella under which a number of programmes for supporting community initiatives would be located. These programmes included FAS (with support from the World Bank), PAR (European Union), bilateral donors' interventions and other local project funding mechanisms. A CRP unit was to provide orientation,

coordination and monitoring of these programmes for their compliance to overall programme objectives.

Unfortunately, there has been a deep misunderstanding or disagreement between the donors and the government on the operational role of CRP. The government expected all donor funding to go through the specific CRP mechanism, which thus would implement the community projects through its provincial set-ups. However, the donors regarded CRP as the overall conceptual framework and guidelines, while actual funding and implementation of projects would be undertaken through a number of separate mechanisms such as FAS and PAR, or even direct funding of non-government organisations. As a result, CRP established a heavy overhead administration expecting to handle most of the USD 900 millions pledged at the Brussels Round Table, but ended up with very limited funds for direct community programmes.

The UNDP established a Trust Fund for the CRP and supported a programme for provincial level community projects. The government and UNDP established a comprehensive central and provincial programme structure throughout the country to screen projects and to disburse and manage Trust funding. The CRP institution was however slow to build up and was barely in place before the security in the central provinces began to break down in late 1998, and CRP projects were suspended. By early 2000 the government considered that conditions were appropriate for the resumption of CRP activities in at least 9 provinces.

The capacity building programme for CRP was evaluated in March-April 1998 and a number of key recommendations were made. This evaluation was originally to be undertaken at mid-term, but was delayed until the end of the two-year programme time frame. If the evaluation had been carried out as originally planned, it could have served to identify problems which could have been rectified much earlier.

The evaluation presented a set of concerns regarding the CRP's poor performance and lack of significant results. The CRP was a well-conceived programme but failed to meet expectations due to weak coordination and implementation. The Evaluation Team presented the Ministry of Planning and UNDP with three options;

1. An orderly close-down of the project and transfer of activities to appropriate implementing mechanisms by the end of 1998 (the planned end date of the project)
2. Reactivating and "repackaging" the CRP through a renewed Round Table process.
3. Extending the mandate of the CRP a further two years, re-program existing funds, introduce key programmatic recommendations of the evaluation, and plan an ordered integration of the programme into appropriate national institutions.

The Evaluation Team indicated that the third option was the least desirable. It recommended an orderly transfer and integration of CRP activities to an appropriate national structure and closure of the programme within specified time frames. The second option became unfeasible when the war broke out again and the donors re-oriented their assistance to humanitarian programming. Both donors and community groups had lost confidence in the CRP mechanism. The tripartite review, however, made no reference to the evaluation's recommendations, and recommended an extension of the CRP into a second phase of three years.

During 1999 the CRP activities were suspended due to renewed war and no expenditures were made on community projects nor on training activities. However a total of USD 685,000

was spent on staff salaries and office equipment that year. Until the CRP Phase I was closed at the end of 1999, the UNDP project had spent a total of approximately USD 11.5 million. Of the total, 31% of the funds were invested directly in about 30 community based projects, of which only 10 were completed. A further 24% of the funds were expended on the renovation of government office facilities, some of which were used by the CRP management units. About 45% of the expenditure was spent staff salaries and programme support. It is interesting to compare the performance of the FAS (Fundo de Apoio Social) which runs in parallel to the CRP with a similar management structure. FAS has expended almost USD 30 million on 668 community based projects. 63% of FAS funds are invested directly in communities and 37% in overheads and office infrastructure. FAS did not find it necessary to suspend its programme due to insecurity during the 1998-99 period, having focussed on the low-risk coastal provinces that were not affected. The CRP failed to move ahead with project implementation even in these relatively secure coastal provinces. 23 projects have remained only partially completed from the first phase.

The design of CRP II, which became operational in the first quarter of 2000, was to draw from the lessons of the first phase and build on recommendations from the evaluation and the tripartite review. CRP II has a programme budget of USD 11.8 million. A sum of USD 2.7 million remains in the UN Trust Fund, leaving a funding gap of USD 9.1 million. Funds are presently available from the Trust Fund for only the first year of operation of CRP II. Of the existing funds committed from the Trust Fund only 33.6% of the budget is planned for community projects and a further 5.8% for training. The remaining, more than 60% covers management costs, personnel, office equipment, vehicles, reporting and auditing.

The project document indicates no contributions from the government. The CRP central unit informed the CR team that the government will contribute USD 1.5 million in the current year, but the CR team has not seen this information confirmed in writing nor has it been indicated how these funds will be applied against the project budget.

There is also no indication in the project document of a strategy of how donors, who have a uniformly negative view of the CRP, are going to be mobilised to contribute to the programme. The donor's perception of the first phase of the UNDP support for CRP was of a heavy costly administration producing few results on their investment. The phase two programme has not adequately addressed this concern of "costs against benefits" and is unlikely to attract new donor contributions to the Trust Fund.

Unfortunately, there are little indications that the second phase of CRP will change the overall experience of a programme that has had very few and even rather negative results, for UNDP, for the government, and for the people in communities in need of support.

Other projects

The *UN Volunteer programme* grew out of a Belgian pledge at the Brussels Round Table and was built within the CRP as a support to the provincial programme support units. The USD 3.15 million contributed by Belgium should be seen therefore as an additional component to the management component of the overall CRP budget although UNV's participation within the CRP was originally envisioned as that of "capacity building". An important role of the UNVs in the CRP was to fill key technical assistance posts in the provincial support offices. It is difficult to measure the effectiveness of the UNVs in capacity building because of the generally poor performance and insignificant results of the CRP programme to date.

One of UNDP's strategies for capacity building of national partners continues to be the provision of "counterparts", in the form of UN Volunteers, local and international experts paid from the project budget. While national partners may have a weak technical capacity, and external technicians may be necessary to fill gaps in the project execution team, insufficient mechanisms are in place to measure capacity built or left behind once the external technical assistance comes to an end.

The poor cost-benefit ratio noted already in the review of the CRP, becomes even more negative if one considers the investment of the UNV project in support of CRP management. If this is included, the costs of management raise to 58% of the total costs and the proportion of expenditure made in community based projects drops to 24% (a further 18% of funding went to renovating government and CRP project offices).

(NB: TOO LONG) The *UNV programme for promotion of peace through youth and women* was conceived as an African regional peace-building initiative for war torn countries including Angola and funded by Norway. The project aimed at consolidating peace through the promotion of development activities among youth and women. The component of the budget allocated to Angola is \$576,000. The national partners are the Ministry of Women's Promotion and the Ministry of Youth and Sport with participation from the national NGO, ACJ (Association of Christian Youth). The project reaches three provinces: Luanda, Bengo and Cuanza Sul.

Three UNV specialists in project management, community development and micro credit were placed within the Ministry of Women's Promotion to assist in developing the programme and building capacity within the government and civil society partners. The results of institutional capacity building to date have been weak but the project has had significant results in the form of outreach to civil society and NGO partners through a series of training seminars on gender, youth and peace-building issues. Almost 850 local leaders and members of local associations have received training. The community development component of the project focused on promotion of micro-credit through training of women and youth. A budget has been set aside for small loans of \$32,000. Loan payback rates have been relatively low to date and it is unlikely that this aspect of the project will prove sustainable unless the inflation rate stabilises and micro-credit becomes widely available through national banking or specialised institutions.

The project is an interesting pilot for engagement with key beneficiaries, particularly women and youth, which should produce a substantial number of experiences from which lessons can be drawn for working at the grass roots. More importantly this project provides opportunities for documenting and feeding back information and experiences gained into national policy debates on the important issues of advancement of women and peace building. The project design did not identify potential for drawing lessons or influencing policy as an output. It is suggested that this aspect of the project be added to the project framework and prioritised in any future phase of the project.

The artisanal fishing project in Ambriz is a pioneering partnership between UNDP, Equator Bank, BP-Amoco (a private sector petroleum company) and the Ministry of Fisheries. The project beneficiaries are 160 fishermen who are to be organised into 40 micro-enterprises who were to receive boats, equipment and micro-credit. The programme is still incomplete and the execution has been slow. The primary donor BP-Amoco indicated to the CR Team certain disillusionment with the performance of UNDP, having expected a more professional

management and better reporting. BP-Amoco indicates that reluctantly they are being drawn in to a greater “hands-on” role in the project for which they feel poorly equipped as a donor. Due to poor performance in the execution of this project, UNDP risks jeopardising a future relationship with a potentially important investor/partner.

Overall assessments

The overall results from UNDP’s role in the poverty eradication programmes during the current CCF have been generally disappointing; notwithstanding the difficult conditions of a deterioration security situation during this period and the eventual return to war in December 1998. Results were weak in the pre-December 1998 period due to programmatic shortcomings. During 1999 the programmes came to a complete standstill, and there was very slow action to re-allocate resources and staff, and adapt the programmes. Insignificant results have continued to be noted to date through October 2000, a period of improved security and accessibility.

The CRP was conceived of as a peace consolidation strategy. The poor performance of both UNDP and government in making the CRP operational within a reasonable time frame, may therefore have been a missed opportunity to influence the peace process positively by involving communities in building peace at a grass roots level.

As a consequence, the impact on communities targeted by programming in this sector has by and large been negative. High expectations have not been met, promised funding to community projects has been slow to deliver at best, and often not arrived. Local level leaders and NGO partners have lost credibility with their constituencies.

The relationship between UNDP and government partners was not good at the central level during 1997-98. CRP national counterparts noted an improvement in this relationship during the phase II of CRP with the withdrawal of UNDP from its role of approving local project applications. Both NGOs and private sector partners interviewed by the CR Team indicated that their experience with UNDP in the execution of projects to have been negative.

Experience in project execution through UNOPS has also appeared to be costly, bureaucratic and slow. The fact that UNOPS depended on the UNDP for administrative support in Luanda rather than having their own presence, may have lead to increased problems of coordination and decision-making, rather than simplifying matters. Partners have questioned the quality of technical assistance particularly that recruited through UNOPS. The CR Team has not been able to find performance evaluations nor information on targets, indicators and outputs which would corroborate these opinions.

It seems clear that project implementation mechanisms have not adapted themselves adequately nor quickly to a deteriorating crisis situation. Bureaucratic procedures have been employed by both UNDP and national partners to protect themselves and provide excuses for inaction. An indicator of this is that the CRP continued to expend significant management overheads during 1999 when there were no discernible programme activities undertaken. The Auditor’s report in early 2000 noted that during this period they could “not see evidence of any control of the time spent at work by the employees of the project working in the provinces”. The Auditor indicated specific concerns regarding some project management procedures. National executing partners have complained of complicated and unfamiliar UNDP management procedures that delay project implementation. UNDP’s programme officers need to provide assistance to national executing partners to ensure their

understanding and compliance with programme execution norms. Programme officers also need to provide closer monitoring to ensure that reporting and evaluation schedules are respected so that problems can be identified and addressed quickly.

The most important conclusion from our assessment, is strong need today for a clear reassessment of the CRP, with a view to reorganise and restructure the implementation structures. The concept of community rehabilitation based on active participation by the communities concerned, within an overall framework of rehabilitation and reconstruction in the provinces, remains perfectly valid. However, the CRP units should rather be integral parts of the Ministry of Planning and the provincial planning units, in order to provide the overall guidance and coordination to all major community development programmes, rather than funding and supervising the implementation of such projects directly.

6. Theme 3: Economic management, institutional reform and administrative modernisation (Governance)

Two programmes have been implemented under this theme: the national programme for capacity building in economic management (PROCAGE) and the programme for administrative reform and modernisation (PRIMA). Both were seen as very relevant for the reforms being planned or undertaken in the economic sectors and the overall public administration. The government had been implementing reforms to liberalise the economy and improve government functions since the late 1980s, but these processes were accelerated as a result of the peace agreements in 1992 and 1994. Improved governance was thus also regarded as a contribution to the consolidation of the peace. While not receiving an equally strong response from the donors as the other two CCF themes, UNDP nevertheless allocated a total of USD 4.5 million (7 per cent) to this theme during the CCF period. The results, however, are mixed and partly disappointing.

The national programme for capacity building in economic management (PROCAGE)

The four-year (1998-2001) programme PROCAGE aimed at supporting national stabilisation, recovery and long-term national development efforts by reinforcing the economic management capacity of the government and strengthening coordination among the organisations responsible for managing the economy. The programme was motivated by the poor economic performance since the 1980s in terms of declining non-oil output and exports, serious balance of payments disequilibrium, growing foreign debt and inflationary pressures. These difficulties resulted not only from the consequences of the civil war; they were also due to an absence of a coherent and firmly implemented framework of sound economic policies and efficient macroeconomic management. As a result, there were large distortions in the economy leading to waste, inefficiency and lack of equity in the allocation and distribution of resources.

In an effort to promote a coordinated approach to capacity building for economic management, the government requested UNDP to provide assistance for a programme for capacity building in economic management (Programa de Reforço de Capacidades em Gestão da Economia / PROCAGE). The programme targeted four objectives: promoting effective inter-ministerial coordination; establishing appropriate management and information systems; introducing and applying analytical instruments capable of promoting effective performance in the key institutions responsible for economic policy formulation and management and; and making available within the said institutions a sufficient number of properly trained and qualified human resources necessary to ensure economic management tasks in government.

PROCAGE originally covered a set of eight components for eight different ministries and economic institutions. These included the ministries of Planning, Finance, Commerce, Public Administration, and Territorial Administration, and the National Bank of Angola. The total estimated cost of this programme was USD 11.5 million. However, due to lack of funds, the programme was reduced to cover only three of the original eight institutions. And even then, it was not possible to achieve the expected level of coordination. While the proposal for PROCAGE originated in the Ministry of Planning, UNDP did not show sufficient professional competence when assessing and approving this proposal

After two years of programme implementation, the results obtained by the programme are very mediocre. Within the Ministry of Planning, the further development of the economic model for macro-economic consistency MODANG was seen as an instrument for macro-economic management and formulation of scenarios for economic growth. The project has trained technical personnel in the use and functioning of the model, in elaboration and distribution of bulletins on the Angolan economy, and in the creation of information databases for economic management. – However, this was not sufficient to make effective use of this economic model framework for medium-term planning, as a useful tool for decision makers in the Ministry. The Minister of Planning expressed deep dissatisfaction with this project, and felt that it had been more of a theoretical exercise rather than a useful instrument during the present reforms and planning.

Another element within the PROCAGE which had been introduced under a preceding phase, was the introduction of a public sector planning and management information system (PSPMIS) which had been developed under the auspices of UNDESA. This database system turned out to be poorly adapted to the real conditions in Angola, and due to the copyright conditions that had been accepted by DESA, it was not possible to make any adjustments to the system to make it more useful. This element was therefore a complete failure.

Even though the original ambition to involve eight economic institutions had to be reduced to only three, both Ministry of Finance and the National Bank (Banco Nacional de Angola) were equally dissatisfied with the assistance received under this project. This was often irrelevant and/or not timely, and UNDP/UNOPS were considered extremely bureaucratic and non-responsive partners.

There are several reasons for the low performance and results of this project. First, the programme was obviously over-ambitious. Second, the government ownership and political commitment to programme was in some cases less evident, despite the fact that PROCAGE was included in the national medium term programme (MTP 1998-2000) for economic stabilisation and recovery. Other factors included the lack of integration of PROCAGE in economic planning within the government; the lack of flexibility and speed on part of UNOPS in the identification and fielding of consultants and other experts for the programme; the lack of financial contribution of the government in support of programme implementation and; the inadequate mechanisms of coordination.

In light of the above, this CR Team strongly recommends that the planned independent evaluation mission should be fielded as soon as a possible. This evaluation should provide to the government and all its development partners concerned a more exact assessment of results obtained and key problems encountered, as well as make recommendations for a future reorientation of support to improved economic and financial management.

Institutional reform and administrative modernisation (PRIMA)

The PRIMA programme was initiated in 1996, partly building on the experiences from a previous UNDP supported project for improved performance in the administrative and economic public sector. The initial programme document envisaged three main objectives: organisational development and administrative modernisation; decentralisation; and improved integration between public administration and society. The programme included 12 sub-objectives, and was to involve a large number of ministries.

However, these objectives had to be revised partly because of insufficient funding, but also because they were overly ambitious and required a level of coordination which was unrealistic. In particular, it was difficult to implement the components relating to the Ministry of Justice. It was therefore decided to develop a separate project for this Ministry. Moreover, the resumption of the war led to a complete standstill in the process of decentralisation. While some important initial studies had been undertaken, further work on the components relating to decentralisation was eliminated from the project.

The revised PRIMA has focussed on the core tasks relating to organisational development within the civil service. This has included *inter alia* a professional reconversion programme, assessment and categorisation of all civil servants and criteria for promotions, training and training programmes, proposals for reorganisation of public administration, and preparations for the downsizing of the public sector. These activities are generally regarded very positively both inside the Ministry of Public Administration, in other ministries, and by the evaluation undertaken in October 1999. A very high number (estimated by staff to be 60%) of proposals from the PRIMA projects have been accepted by the Council of Ministers. It remains to be seen, however, how many of these proposals will be implemented in practice. Perhaps the most important impact is the creation of a vision of reform within the public sector. The full impact of a programme for improved functioning of public administration will only be felt in the medium and long term.

The relative success of the PRIMA thus far seems to rest on the very good integration of the programme into the Ministry of Public Administration, and the high quality of experts recruited by the programme as well as the highly motivated national staff and political support from the government. The project staff expressed deep dissatisfaction, however, with the insufficient support received from UNDP and what they saw as excessively bureaucratic procedures. They even indicated to the CR Team that they would prefer another donor instead of UNDP in the future.

Reforms and modernisation in the public sector in Angola are difficult tasks that will necessarily be faced with a number of constraints including lack of interest as well as vested interests. One major factor is also the low wages in the public sector and the poor working conditions. While some salary increases have been implemented recently, the effect of these increases is often undermined by the very high rate of inflation. The only long-term solution to this is macroeconomic stabilisation to achieve control over the rate of inflation.

The CR Team notes that the activities in support of decentralisation had to be cancelled due to changing circumstances. However, some basic work has been undertaken in this area, and given the importance of decentralisation and strengthening of local and provincial government it is hoped that this process may be reinitiated in the near future.

Overall assessment

The areas of governance and economic management remain relevant for UNDP support, and they are extremely important for Angola in the coming years. This will become even more evident as the war recedes and the state extends its administration in war-affected areas, the dynamics of public sector reforms will generate a higher rate of administrative changes, and as Angola attains a sharp increase in its oil revenues.

The main lessons from these experiences are the need to focus clearly rather than attempt an ambitious design that require extensive coordination and cooperation, and lead to diffusion of scarce fund. There is equally a need for higher quality in designing relevant activities and inputs, with room for adjustments in light of experiences and changing circumstances.

The relative success of PRIMA should be contrasted with the low performance of PROCAGE. While the PRIMA was able to adjust to changing circumstances, was well integrated into the ministry's overall objective and activities and benefited from political support, PROCAGE seems to have lacked all of these.

In addition, experience in both programmes shows the need for a much greater emphasis on efficient delivery of services and support by UNDP.

7. Implementation experiences: Serious constraints

As seen above, there have been very few successes among the UNDP-funded projects. The best performer is probably the PRIMA, which has become well integrated into the Ministry of Public Administration with good international and national staff, and resulted in a high acceptance rate. The vocational training project for demobilised soldiers and the small UNV peace promotion project also seems to have obtained reasonable results. Some capacity building has taken place in the other projects, but the training component has been low, integration poor, and capacity gained may easily get lost. Impact "on the ground" has been very limited but probably somewhat better for the post-conflict projects than in the community rehabilitation programme.

The poor performance in all three thematic areas has been influenced by the resumption of the war in 1998-99. But poor project design and lack of effective communication between UNDP and the relevant government institutions, the lack of government ownership and inadequate government support and management of the programmes, and poor monitoring and support by UNDP have all been contributing factors. Partly as a result of the above, the donors lost confidence in government as well as in UNDP.

The resumption of the war and its consequences

The breakdown of the peace process and resumption of the war in 1998 had a serious impact on most UNDP-funded projects. The demobilisation programme stopped, and as a consequence the programmes for reintegration and training of ex-soldiers. Likewise as re-mining was undertaken by the warring parties, most mine action programmes came to a standstill. In the affected provinces all community rehabilitation under CRP were temporarily suspended.

The resumption of the war also implied that the government again became more preoccupied with fighting and winning the war, and fewer resources – both human and financial – were available for other policy areas. The government also expressed its dissatisfaction with the

international community, and the UN (MONUA) in particular, for not being able to arrest the breakdown of the peace accords. As a result, relations between the government and the international community became more strained, and the donors refocused on humanitarian rather than developmental programmes.

Looking back, the question is whether UNDP and its government partners were sufficiently prepared for such a turn of events given the uncertainty of the situation and the recommendation in the CCF (cited above) to have a “coherent and flexible approach in the face of emergencies”. UNDP actually did try together with MINARS to reformulate a project in support of vulnerable groups to use remaining funds from the reintegration of ex-soldiers, and UNDP did continue funding some essential aspects of the mine action programme for INAROE. The question remains, however, whether this was too late and whether the correct action was taken. As long as the war is ongoing with a relatively high level of insecurity, it will be important to draw lessons from these experiences. Both UNDP and its government partners need to take account of these uncertainties and continuously monitor and review their programmes in a systematic manner, and are able to reorient the programmes and funding when necessary.

Inadequate government ownership and UNDP-government relations

The above review of the three theme areas shows very mixed experiences in terms of government involvement, ownership, commitment and contribution to the UNDP-funded programmes and activities. The communications and relationships between the government institutions involved and the UNDP Country Office have not been adequate during most of the period.

In many of the projects, the relevant government institutions that were to participate in and benefit from the project, felt that they had not been adequately involved in the actual project design. Short-term consultants prepared most project and programme support documents, with limited consultations and involvement of those most directly involved. While the documents were eventually approved by the relevant Ministries and the Ministry of Planning, this was clearly not sufficient to obtain the ownership and involvement required. In other cases, however, change of key ministers resulted in new leadership that had not been involved originally, and the original ownership was sometimes lost. It is the responsibility of both UNDP and the ministries involved to ensure better involvement and ownership, with a modality to adjust when conditions and priorities change.

Partly as a result of the above, and particularly for the projects executed by UNOPS and other UN agencies, the international technical assistance components were often found to be costly and generally ineffective. The government counterparts prefer to use national or regional expertise when available, and place more emphasis on training for capacity building. Many international consultants neither spoke Portuguese nor were technically qualified. In addition, they were poorly integrated into the national institution, and did not involve the national staff and counterparts sufficiently. In several cases, the UNDP-funded project became separate units isolated from the rest of the institution, rather than a part of it.

In some cases, disagreement on priorities and management styles became serious impediments for the effective implementation of the donor-funded programmes. Particularly in the case of INAROE the government took on direct operational activities that over-stretched the capacity of the institution, while in the case of CRP the institution was not efficient in undertaking such operations. More importantly, the crucial core tasks of the

government institutions to formulate policies, coordinate, monitor and support, set quality standards and monitor quality controls suffered when these institutions also took on and gave priority to operational tasks. Also in other cases, the ambitions of the government have been beyond its capacity, while the management style sometimes lead to lack of flexibility and openness.

The national execution modality (NEX) is preferred by the Ministry of Planning because it provides greater responsibility and overall management for the government institution. However, many institutions felt that NEX procedures were difficult to follow, and they were not given sufficient training and support by the UNDP Office. In reality, UNDP seems to have retained strong financial controls over NEX projects, and the government institutions often complained about slow and bureaucratic reactions by UNDP and lack of transparency.

The creation of a focal point for UNDP within the Ministry of Planning has been a step in the right direction. This allows the Ministry to follow more closely the projects and programmes in all their stages, participate in the formulation and evaluation of projects, and monitor the financial situation. However, this can be further enhanced with the use of electronic documentation and monitoring.

The improved communication and interaction between UNDP and the Ministry of Planning at the top level is also positively noted. It is important that these contacts are expanded also at the sector and project level with the respective government institutions, for project formulation, implementation and monitoring and an effective dialogue on relevant issues.

Inadequate monitoring and follow-up by UNDP Country Office

The above analysis has uncovered serious weaknesses in the way the Country Office has functioned during the implementation of the CCF. *First*, the CO did not perform its responsibility to ensure that the actual project and programme designs were professionally done in close consultation with the partner institution to provide adequately for the needs and requirements given the special conditions in the country. *Second*, the CO did not adequately support the implementation of these projects in a timely and efficient fashion, but has rather been seen as slow, bureaucratic and without transparency. *Third*, there has not been a satisfactory monitoring and evaluation function in line with UNDP procedures, to enable UNDP and its partner to assess and redirect the projects in a timely manner. *Fourth*, the CO has generally not been adequately equipped to liaise professionally with the government and other partners on the substantial contents of its main programmes. And *fifth*, it was unable to meet and respond adequately to the rapidly deteriorating security conditions and the breakdown of the peace process leading to a more emergency dominated situation again during 1998-99. *Similarly*, the office has played a rather limited role in contributing to policy development dialogue with other development partners and in assisting government in the coordination of international cooperation programmes.

The CR Team underlines that these were systemic weaknesses within the office. Individual staff members may have performed fully satisfactorily, and the CR Team has made no attempt at evaluating individual performance. It is also positively noted that the staff is now fully aware of these weaknesses, and participates in the ongoing change process.

In particular, the *monitoring and evaluation system* (M&E) applied in the implementation of the CCF was weak or non-existent. This was mainly due to such factors as: (i) limited functioning of the steering committees and other programme monitoring structures at the

central and provincial levels; (ii) inadequate monitoring of programme through field visits; (iii) fragmented financial reporting; and (iv) irregular holding of tripartite reviews as well as follow-up on the recommendations. In fact, these reviews did little more than rubber-stamp government decisions, rather than permit real critical assessments of programme performance. As political and security conditions changed, no mechanism was adopted that would permit modifications in the CCF to reflect these evolving conditions. There is an obvious strong need for strengthening the M&E functions in the Country Office.

The majority of CCF programme components and projects are *nationally executed*. However, the NEX experience in the country is still very limited. The government is relying totally on the UNDP office for all accounting functions. The high mobility of government personnel has hampered better understanding of the NEX procedure, and the limited capacity of the Auditor General's office has caused delays in producing NEX audit reports. The CR Team recommends that a review of the operations of the NEX modality should be undertaken on the basis of which a country specific NEX Manual should be prepared. Training of personnel involved may be required, and UNDP needs to be proactive and ensure that its rules and regulations are fully understood by those concerned.

The UNDP office is a relatively large, and had been expanded to handle the additional resources generated under the UNDP Trust Fund and cost-sharing arrangements. However, UNDP core resources have been drastically scaled down during the CCF period, and the additional resources that UNDP had been expected to mobilise in the second half of the CCF were not obtained. As a result, the costs of maintaining the CO approximates the same level as the total value of UNDP assistance delivered, a situation which is clearly unsustainable.

The current CO staff capacity and level should therefore be revised to reflect ongoing and planned UNDP cooperation assistance in Angola. This is discussed further in the section below with recommendations for the next CCF period. It is crucial for UNDP in Angola that it recruits and retains high quality staff with skills that are relevant for its future activities.

The staff morale is relatively low because of (i) the inevitable decision to reduce office staff; (ii) inadequate staff training resources to meet training and skills upgrading requirements of technical staff; (iii) absence of a proactive career development policy for national professional staff that would enable them to aspire to posts with higher responsibilities within the organisation; (iv) the organisational structure of the CO favouring a top-down management and operating style. This situation leads to undue centralisation of even the most routine tasks.

New information technologies and corporate software designed to improve accounting, financial management and general administration need to be accompanied by intensive training. The training will enable the UNDP CO to make the best use of information technology to enhance the efficient design, monitoring and evaluation of the implementation of CCF programmes and activities.

Similarly, there is a need to standardise the working languages in the country office. Three languages (Portuguese, English and French) are used in the office. This situation is often a source of confusion in the monitoring and evaluation of UNDP operations, which may also explain the poor quality of reports.

However, the most important challenges are related to the changing environment both in Angola and internationally, the new Business Plan of UNDP, and new approaches to countries with a complex development context like Angola. This will demand new skills and new orientations, as discussed in the final section on recommendations.

The loss of donor confidence

As described above, there was strong donor support to the consolidation of the Lusaka peace accords in 1994, and this was manifested at the Brussels Round Table in 1995 with donor pledges of around USD 900 million in support of the government's programme for community rehabilitation and national reconciliation. UNDP was expected to play an important role in supporting the implementation of various programmes expected to assist in the consolidation of the peace process.

However, it soon became clear that many donors were still reluctant or directly unwilling to provide funds directly to the government's own programmes. While several donors contributed to the UNDP Trust Fund and co-funded UNDP programmes, others preferred to design and support separate programmes with parallel structures, often engaging non-governmental organisations for implementation. Increasingly, the bilateral donors also became dissatisfied with the way government managed central new institutions, such as the CRP, INAROE and IRSEM. They also believed that UNDP did not take the initiative required to resolve these problems, nor was there a sufficient feedback and dialogue from UNDP to the donors on actual progress and substantial problems in these programmes. As a result, donors felt that UNDP was just a passive manager of donor funds, without an active and constructive role in solving important policy issues, and with little or no influence on the government's management of their programmes. To some extent, it can be said that the donors' loss of confidence and dissatisfaction with government's performance was reflected in the increasing dissatisfaction with UNDP. But they also felt that UNDP did little to take action and improve the situation.

A similar deterioration occurred in NGO confidence in UNDP, as they perceived UNDP to be an extremely bureaucratic and slow organisation. The CR Team heard several stories from NGOs of contracts signed with UNDP, but then waiting more than two years before actual funding and implementation. The complicated decision making between UNDP Angola and UNOPS further complicated matters. Naturally, donors became aware of these problems, adding to the general scepticism of UNDP as an efficient manager of their funding.

It seems that a combination of the above factors made it convenient for the donors to use the "opportunity" of the resumption of the war in late 1998, to terminate further support to the programmes for mine action (INAROE) and demobilisation (IRSEM). The donors have also been unwilling to extend their support through UNDP to the CRP. Therefore, since 1999, UNDP has not been able to mobilise additional funding for its programmes and the Trust Fund, with the exception of the USAID-funded security officers network.

In March 2000 Norway organised a review of donor perceptions of UNDP and the potential interest among donors for a reforms and a revitalisation of some core UNDP activities. The review confirmed the very low confidence of donors and other development partners in UNDP at that time, but also expressed the expectation that UNDP could and should take on some significant tasks for improving the coordination of donors and improved donor dialogue with the government. With the arrival of the new Resident Representative in early 2000, the donors renewed their hope and expectations that UNDP might improve its performance and

relevance, provided that UNDP itself would undertake the necessary reforms and improvements. While substantial improvements have been initiated, given the history described above, UNDP still has to work hard and continue to improve its performance in order to regain the full confidence of donors.

8. UNDP and national development issues: The National Human Development Report

UNDP played a strategic role in the preparations and organisation of the Brussels Round Table in 1995. However, in the following years UNDP was marginalised by events, and by the dominant roles played by the SRSG and the UN humanitarian efforts. UNDP was not perceived as a significant actor within the UN, nor within the larger international donor community.

The main exception has been the production of the Angola National Human Development Reports in 1997 (poverty), 1998 (governance) and 1999 (civil organisations). These reports were produced by independent teams with contributions from individuals in government as well as civil society. They achieved a high level of confidence as the most reliable source of data and analysis, by a wide range of development actors in Angola. They were cited as a main source of reference data by several bilateral donors, and are used as training material by non-government organisations. The government has nevertheless expressed some concern that they were not directly involved in the production of the NHDRs, and disagree with some of the data and analysis presented. The CR Team believes it is important for UNDP to continue the production of a reliable NHDR, with government acceptance.

During 2000 UNDP has, in cooperation with the UN country team, taken new initiatives that may increase the visibility and positive contribution of UNDP on central development issues. These include highlighting the potential threat from HIV/AIDS, support to the design of a renewed “transitional policy” for community based rehabilitation of war-affected areas, and support to the elaboration of an interim Poverty Reduction Strategy Paper. The CR Team supports the important UNDP involvement in these initiatives.

9. UNDP and the UN Resident Coordinator system: The difficult interface between development, humanitarian, political and human rights issues

The UN system has been very visible and active in Angola during the 1990s. With the presence of a Special Representative of the Secretary General (SRSG) from 1992 to 1999, and various peace verification, peacekeeping and observer missions from 1988 to 1999, the political and security issues have dominated the scene. Since early 1999, however, only the Human Rights Division of the UN Office in Angola (UNOA) has remained. Simultaneously, the UN humanitarian agencies have mounted a major operation in support of 3.7 million internally displaced or otherwise affected by the war. While WFP is the major UN actor handling an annual budget of around USD 100 million, the humanitarian efforts are also supported by UNICEF, UNHCR and to a less extent the other agencies. The UN Department for Humanitarian Affairs established a coordination office in Angola in 1993 (UCAH), later taken over by OCHA from 1998.

During the presence of the SRSG, all UN activities were under the overall coordination authority of the SRSG, even though the various agencies also followed their specific roles and mandates. The relationship between the political and security concerns of the SRSG, and the humanitarian mandates of UN agencies, was difficult at times. The humanitarian

coordination (UCAH/OCHA) was initially the responsibility of the WFP. During the important period 1994-95 – during the preparations for the Brussels Round Table – the WFP Representative was also appointed UNDP Resident Representative and UN Resident Coordinator (RC), but this lasted for 9 months only. Subsequently the WFP Representative again became the Humanitarian Coordinator (HC), and the functions of RC and HC were separated until February 2000 when the new UNDP RR was appointed HC as well as RC.

Given these circumstances, UNDP and the UN Resident Coordinator had a relatively minor role to play within the UN system in Angola during the CCF period, until the new merger of the RC/HC from 2000. This will partly explain why the activities under the RC system have been limited. While several coordination mechanisms have been in place, including common premises for most agencies (but not including WFP, UNHCR and OCHA), most agencies have continued their separate programmes with limited interface with each other. The major exception to this rule, has been the stronger collaboration between the humanitarian agencies around the UCAH/OCHA mechanisms and in the preparation of the Consolidated Appeals. Substantial cooperation has also taken place on polio vaccination, food security/ nutrition, and HIV/AIDS. Cooperation on security has been central to all agencies. The departure of MONUA created some uncertainties and gaps, that were eventually filled by the UNDP project for a field security officers network.

No UN Country Strategy Note has been prepared, even though the CCF (1997-99) states that the government had agreed to its preparation. In 1998 the agencies initiated the preparation of a Common Country Assessment (CCA), and this continued into 1999. However, in May 2000 the UN Country Team agreed that the draft CCA which had been drafted by various agencies at different times, no longer reflected the actual situation, and therefore agreed to produce a revised and more consolidated version. Plans for an UNDAF has been postponed following instructions from UN Headquarters.

A major challenge for the UN agencies in Angola has been to find the most effective ways to collaborate in the transition between humanitarian assistance, recovery and development. The issue has become even more complicated as the situation several times reverted into full scale war and humanitarian issues again became predominant. According to the Reports of the UN Resident Coordinator, the UN Country Team in 1998 finalised and published a “UN Strategy in support of Angola transition from emergency to development”. This document was “to guide inter-agency activities in achieving a smooth and efficient transition from a complex humanitarian assistance situation towards rehabilitation and development”, but this document does not seem to have made any impact.

Under the special war-related circumstances in Angola, UNDP and the Resident Coordinator could have been expected to have focussed strongly on ways and means to integrate the humanitarian and the development agencies of the UN system. In addition, the presence of a specific UN Human Rights Department could have invited further integration of a human rights perspective into humanitarian as well as development activities. Unfortunately, this was not achieved during the first three years of the CCF period. With the combination of the RC/HC from early 2000, new opportunities have been created and a new effort is being made to bridge these gaps. Of particular importance is the establishment and approval by the Council of Ministers of rights-based Minimum Operational Standards for support to and resettlement of internally displaced, thanks to the efforts by the UN humanitarian agencies under the leadership of the Humanitarian Coordinator. These actions represent some of the potential of a UN coordinated approach.

10. Recommendations for the next CCF period 2001-04

Basic assumptions and scenarios

All development actors in Angola hope that there will be a continued reduction of the present guerrilla warfare, and an eventual peace in the whole country within the coming years. This will allow for an extension of security and civilian administration into the present war-affected areas. However, this may be a relatively slow process, with possibilities of major setbacks, as have occurred in earlier years. Few believe in a new peace settlement with the armed forces of UNITA, but this scenario can not be ruled out. The situation is still unsettled. UNDP will have to take the high uncertainties into account and reassess its overall programme and activities regularly, on an annual basis.

It is also expected that improvements and reforms in economic management, accountability, and public administration will take place within the framework of the IMF Staff Monitoring Process and later agreements, albeit with possible setbacks. The present process may lead to a major breakthrough by the end of 2001, but uncertainties remain due to various interest groups opposed to these reforms. This is another argument for an active annual reassessment of the next UNDP CCF.

Angola expects that its oil production will increase dramatically over the next five-year period, with gross incomes generated from oil production predicted at least to double at the present price level. However, the real increases in production and net incomes will take place towards the end of this period, and many uncertainties remain regarding rate of growth of production, the oil prices, the possible renegotiations of short-term debts, and the expected net incomes. Good economic management and preparations for the future situation must therefore be initiated now, with a medium term perspective. If UNDP is invited to contribute to and support these processes of preparations, it must establish a medium term perspective, with regular reassessments of progress.

Humanitarian issues will necessarily dominate the scene for international cooperation also in the next couple of years, due to the large number of displaced and war-affected population. If conditions improve as expected, there will be fewer cases of new displacements, and more opportunities for resettlement and recovery. This will allow for increasing emphasis on a transition policy from humanitarian emergency assistance to resettlement, rehabilitation and reconstruction of physical and social infrastructures, and of the social fabric of society. While UNDP will have limited funds to contribute to the overall reconstruction, UNDP could continue to support, facilitate and encourage these processes. This is particularly relevant with UNDP links to the humanitarian agencies of the UN. Again, such an involvement by UNDP will require a medium term perspective, with a regular annual reassessment due to the many uncertainties and continuously changing situation on the ground.

Finally, the attainment of peace, and the continued process of peace building is essential for any development and poverty reduction in Angola, and therefore crucial for all development cooperation. For peace and stability, a number of policies and actions are essential, in addition to the military and strictly political actions. These would evolve around the solutions to the “root causes” of the armed conflict, and opportunities for reconciliation and reintegration. Important elements include democratic participation and regional equality of opportunities and treatment, including equal access to basic education and basic health, local and national reconciliation, social and economic reintegration at local and national levels, and

a balanced economic development. Peace building means respect for human rights, as well as special attention to the needs of those leaving the active fighting forces (demobilised ex-soldiers, combatants) and incentives to integrate these into civilian life. If UNDP is invited to continue its contributions to these peace-building processes, it will require a medium term engagement within a clear policy framework developed by the government with broad internal participation.

Expectations from government and donors

UNDP has very limited core resources available for the next CCF, less than USD 3 million annually. While UNDP could – and should – generate additional resources for its programmes, this will only be possible if UNDP re-establishes its potential for professional and efficient handling of funds, and brings added value in terms of quality control and policy-relevant contributions to donor funding. UNDP will therefore have to make some difficult decisions about its future direction in Angola.

The government has not yet expressed its expectations from UNDP in the next CCF period. But the government seems to expect from UNDP a source of high quality and independent advice, that will assist the government in its reform agenda. Moreover, the government regards UNDP as a source of support for the government's own needs for capacity building, institutional strengthening and for training and human resource development in the public sector. The government also sees UNDP as a potential link to other donors, where UNDP may assist the government in attracting additional funding for high priority programmes.

The donors present in Angola are still mostly involved in the humanitarian sectors, many waiting for the outcome of the negotiations with IMF and the World Bank before committing funds for development purposes. Some donors are more actively supporting programmes for rehabilitation and recovery and support for consolidation of the peace processes. While donors do not have consolidated views on UNDP, many would welcome UNDP taking on a stronger lead role in coordinating and promoting the dialogue between the government and donors, especially on post-conflict recovery and governance. The donors also expect UNDP to be very focussed in its new programme, to stay away from micro-projects, and concentrate on policy relevant programmes. To attract donor funding, UNDP must prove that it is able to “translate” good concepts into good programmes, a task where UNDP failed during the present CCF. UNDP's potential strength is to combine its programme activities with its access to decision-makers, and this is why it will have to concentrate on policy relevant programmes.

Thematic options for UNDP programming

On the basis of past experiences, present and potential capacity and expectations from UNDP's partners, the CR Team recommends that UNDP discuss with the Ministry of Planning and its other development partners the following options for focusing its policy relevant programmes during the next CCF period:

A first option is to focus on *bridging the “gap” between emergency assistance and development*, in close cooperation and collaboration with UNDP's partners in the UN system. This will be fully in line with UNDP policies to assist Angola as a country in a special development situation, and it maximises the opportunities created by merging the positions of Humanitarian and Resident UN Coordinator. This will imply a special focus on the *post-conflict issues*, such as a renewed engagement in mine action programmes, the continued

reintegration of demobilised soldiers, and support to extension of legal and civil administration into the war-affected areas. It will also imply support to *community based recovery programmes*, with a focus by UNDP on facilitation and encouragement of such programmes, and support to planning and training of local municipalities, provinces, and local organisations. Emphasis should be on support to rehabilitation, resettlement and recovery programmes and moving from humanitarian programmes to recovery, reconstruction and economic development. Working closely with the other UN agencies also implies integrating the human rights perspective, and possibly support to democratisation and local elections. UNDP and the UN agencies may draw upon lessons and experiences from programmes in other post-conflict regions and countries such as in Central America, Cambodia and Mozambique. The UN agencies should aim at creating the central “meeting place” for government and donors on these issues.

A second option is for UNDP to focus on *poverty reduction policies and practices*, which is also fully in line with UNDP overall policies, and becomes increasingly important and relevant as Angola has embarked on preparing an interim poverty reduction strategy paper (PRSP). UNDP should support the PRSP process through a number of activities, such as data collection, statistical analysis, research, meetings and seminars, study tours to other countries, etc. Secondly, UNDP should combine this with support and facilitation of community based programmes in rural and urban areas, and strengthening capacity building at provincial and municipal levels. Support to a reorientation and restructuring of the PRC will be crucial in this connection, possibly also integrating the new proposed “transition” programme and reintegration of the war-affected areas. Some aspects of this approach will be similar to the first option.

A third option for UNDP is to focus on *support to economic management and improved governance*, in close collaboration with the World Bank and IMF. This will have particular emphasis on supporting the government in preparing for managing the rapid increase in oil revenues, and the utilisation of these incomes to support a broad and balanced development. UNDP should definitely not aim at competing with the IMF/World Bank in this area, where they may have better access to high quality advisors. UNDP should rather supplement and complement their activities, perhaps even implement projects funded by WB/IMF, or co-sponsor such programmes. Support to reforms and transition strategies at the central national level may include other aspects of public sector reforms; preparing for stronger decentralisation; governance and human rights, etc. UNDP will need to focus on high quality advisors, high level training, facilitating exchanges and learning from other countries in similar circumstances, facilitating contacts with centres of excellence, etc.

A fourth option is to focus on *support to decentralisation*, which is likely to become a crucial issue in the medium term within the next few years. This option may not be so relevant today, and should be considered in a longer term perspective, perhaps as some of the programmes for economic management reforms at the central level no longer require UNDP support, and when a higher level of stability has been obtained in the provinces.

Need for flexibility and quality in operations and procedures

Regardless of the main option(s) that will finally be agreed between UNDP and the government, UNDP needs to continue its thorough review of its operational procedures, to improve quality and efficiency, and be able to respond on a substantial and professional basis to a continuously changing environment.

The next CCF must allow for a planning horizon of 2-4 years, but with clear in-built mechanisms for continuous monitoring, reassessments and readjustments, as conditions change and experiences are gained. The best way is probably introducing a rolling plan system, with indicative budgets for future years (beyond the first two years) depending on progress and performance. This approach will require approval by UNDP Headquarters, but should be granted as a necessary mechanism for UNDP to operate under great uncertainties in countries in special circumstances such as Angola.

UNDP has to put a major emphasis on improved project design, which will have to involve the government partner institution and the relevant staff much more actively and thoroughly. This is crucial to make the projects and programmes much more relevant to their needs, and also to ensure a real ownership. UNDP must also ensure that the inputs, especially the international advisors and consultants that are funded, are relevant, efficient, effective and client-oriented.

The CR Team strongly believes that UNDP should not handle any more cost-sharing, Trust Funds, and similar funds on behalf of other partners, before it has drastically improved its own performance and efficiency. UNDP has established basic rules and procedures for project and programme implementation that are applicable also during quickly changing circumstances, but these must be followed and implemented for effective monitoring, evaluation and management of the programme. A most crucial aspect is for UNDP to strengthen the monitoring and evaluation function of the Country Office. This system must be participatory, regular and systematic and be seen as part of the learning process in programme design and implementation for the government partner as well as for UNDP.

New directions: Promoting global development issues and strategic partnerships

UNDP has a global mandate to promote follow-up of internationally agreed action plans for development issues such as equal opportunities for women, social development, environment, human rights and governance. This is very important in Angola, where the national debate and awareness is relatively limited. For UNDP with limited core resources this represents a mechanism whereby UNDP may support a positive development pattern in Angola most effectively. The CR Team recommends that UNDP develop a clear strategy based *inter alia* on the following elements:

Relating to its focus areas, UNDP in collaboration with the government, should look for opportunities to promote a broader awareness and participation of central policy issues, and encourage and support further studies, research and data collection, as well as media interest and involvement of civil society and academia. One obvious opportunity is relating to the PRSP process, but there are also issues relating to the transition from emergency conditions to recovery and development, the rapid urbanisation, and consolidation of the peace process. The most important entry point for UNDP is to continue facilitating the production of a reliable National Human Development Report, of high quality and with high credibility.

UNDP should consider, jointly with the UN agencies to establish a publicly accessible *UN information and resource centre*, with an open library and Internet facilities for public access to UN sources of information, and with media/ information staff. This would facilitate access to a whole world of UN documents and information, as well as studies and documents of the UN activities in Angola. This resource centre could also provide facilities for meetings and seminars on development and international issues.

UNDP needs to work with the government to build broad partnerships around UNDP areas of focus. UNDP must aim to be inclusive, rather than selective in its approach to partnerships. UNDP is naturally linked with the government, and with the other UN agencies which provide an important basis for collaboration. The donors expect UNDP, together with the other multilateral agencies, to promote a more active communication and dialogue between the donors and the government, raising issues of mutual concern, and seeking better communication for a mutual understanding. Ideally, UNDP should reach out and involve civil society, the academic community, and the private sector. However, UNDP also needs to be strategic in its partnership approach, and avoid becoming over-stretched. The CR Team therefore recommends that UNDP develop a very clear and careful strategy on how it should develop its partnership strategy during the CCF period.

Demands on the UNDP Country Office: Professional substance, quality and efficiency

All of the above challenges and tasks require a high quality professional UNDP country office, which needs to give maximum weight to *efficiency* and *substance*.

A substantial capacity is needed to conceptualise and design relevant programmes, which cannot be undertaken by short-term external consultancies alone. UNDP depends on high quality staff that can monitor and maintain a substantive contribution to these programmes. More importantly, as UNDP becomes involved in policy relevant programmes and aspires to contribute to national awareness on central focus areas, it will need professional staff that is sufficiently knowledgeable in these areas. This substantive capacity should be developed by both national and international staff, combining deep knowledge of Angola's context with familiarity on relevant international experience.

Equally important is a much more efficient UNDP administration, backstopping and follow-up, including an effective monitoring and evaluation function. Efficiency relates primarily to providing the relevant support to implementation of the UNDP funded projects. It also means cost-effectiveness of the UNDP office in relation to its programme delivery. These efficiency requirements have to be rigorously applied also to UNOPS and other UN agencies that may become involved.

Headquarters support to UNDP/Angola: A test case for new approaches?

UNDP Headquarters will have to further intensify its attention and support to the Angola operations, if these recommendations are to be successfully implemented. Angola is still a war-affected country in special conditions, and UNDP operations have to be specifically designed for the actual context there. The above recommendations may lead UNDP into new directions that will require special Headquarters support and approvals. In particular, UNDP in Angola will need to adjust the fixed formats of the next CCF, allowing for mechanisms for reassessments and readjustments, and for indicative budgeting. Secondly, UNDP in Angola will need strong support to ensure that it can attract high quality national and international staff, while undertaking the necessary downsizing. And thirdly, there may be a need to reconsider and be more flexible on the use of programme funds. Such funds may be required for policy relevant activities, including the provision of professional advisors inside the UNDP office, having good access to centres of excellence for the benefit of the government, and providing for the proposed information and resource centre.

For UNDP, Angola may be seen as an important "testing ground" for implementation of UNDP's new Business Plan under special conditions. At least in the medium term it may thus

contribute to the global “lessons learned” on the role and impact of development agencies in countries deeply affected by violent conflict.